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PROGRAMME PLANNING: COUNTRY AND INTERCOUNTRY PROGRAMMES AND PROJECTS

FIFTH COUNTRY PROGRAMME FOR ECUADOR

Note by the Administrator

I. PREPARATORY PROCESS

1. The formulation of the fifth country programme for Ecuador was formally initiated with the presentation of the advisory note prepared by the United Nations Development Programme (UNDP) on the basis of its perception of the Government's development priorities and the application of UNDP's mandate as expressed in Governing Council decision 90/34, to the Ecuadorian reality.

2. As the Government agency responsible for coordinating external cooperation, the Ministry of National Planning/CONADE is monitoring the inflow of financial assistance and technical cooperation to ensure its maximum compatibility with the needs for externally provided inputs in achieving the development priorities of the country.

3. Furthermore, overall technical cooperation needs have been assessed in the light of the development priorities that arise from the present socio-economic situation. Special attention has been given to the comparative advantages that UNDP has of providing technical cooperation and services relative to other multi- and bilateral sources.

4. Also, an assessment of the fourth programme has been carried out to determine the main positive lessons, as well as constraints and weaknesses, faced during its implementation which has been the basis for defining the strategic focus as well as the thematic emphasis of the new country programme.

5. Inputs from other United Nations specialized agencies that currently have programmes in Ecuador have also been incorporated i.. the preparatory process. There have been close consultations with them as well as with bilateral donors in order to obtain their views and experience on execution and coordination of development programmes in the country. Particular emphasis has been placed on ensuring maximum complementarity and coordination with the programmes of the international financial institutions, principally the World Bank and the Inter-American Development Bank (IDB) because of their strategic role in the fields of economic stabilization, productive sector growth and investment in social sectors.

6. These different inputs have greatly enriched the preparatory process of the fifth country programme, which places special emphasis on economic, social and managerial aspects that are of particular importance in Ecuador's present and future socio-economic outlook and as such builds upon the recommendations of the UNDP advisory note.

II. ANALYTICAL COMMENTARY ON THE COUNTRY PROGRAMME

7. The principal objective of the fifth country programme is to assist the Government in the formulation of policies, strategies and programmes in those priority areas that will allow the country to move towards a more equitable and economically sustainable society.

8. The strategy for UNDP cooperation is defined on the one hand by the very modest level of indicative planning figure (IPF) resources in relation to the country's needs and on the other by UNDP's comparative advantages which has led to focusing on UNDP's capacity to readily provide specialized and appropriate technical inputs for the design of national strategies and programmes; UNDP's neutrality in facilitating the coordination of external cooperation and resource mobilization; UNDP's mandate for capacity-building through support for the programme approach and national execution; and UNDP's existing administrative capacity-lending support to the Government's implementation of its development cooperation.

9. Within the framework of the above-mentioned strategy UNDP is being requested to concentrate its cooperation in three priority areas: (a) diversification of the economy; (b) poverty eradication; and, (c) rationalization of public sector management.

10. The Government considers appropriate that UNDP cooperation be directed towards promoting a more diversified economy, helping increase the productivity and competitiveness of the agricultural, mining and industrial sectors while assuming a more rational and environmentally sustainable exploitation of natural resources.

11. At the same time, it is expected that UNDP assistance will be directed towards the eradication of critical poverty, with a special emphasis on women and other vulnerable population groups. An effort will be made to mobilize

resources, especially for education, preventive health and credit for small-scale enterprises.

12. To ensure that the interventions will have optimal impact in both the economic and the social sphere, UNDP has been requested to assist in developing the managerial capacities of the public sector, both at the central and, particularly, at the municipal and decentralized levels.

13. The Government considers that UNDP cooperation in these areas will facilitate the creation of a more diversified economic base, thus diminishing the current dependence on very few products for exports. Simultaneously, this assistance should contribute to designing and implementing a more equitable social policy, and a public sector more capable of responding efficiently to the requirements of the population.

14. Through these interventions, UNDP cooperation to Ecuador will reflect the thematic priorities of UNDP, especially those relating to transfer and adaptation of technology for development; education; critical poverty; the search for environmentally sustainable development; the establishment of policies that promote a more active role of women in development and the creation and promotion of management development capacities.

15. IPF resources will be distributed among the areas of concentration as follows: (a) economic diversification: 28 per cent; (b) poverty and social participation: 34 per cent; (c) public sector management development: 28 per cent; with 10 per cent as programme reserve.

III. MANAGEMENT OF COUNTRY PROGRAMME IMPLEMENTATION

16. The programme approach is considered particularly relevant for the implementation of national programmes within the proposed areas of concentration in order to produce measurable and significant results. In this connection, close cooperation is foreseen with other financial sources, both multilateral and bilateral, to complement the scope of the country programme and mobilize external resources through the different co-financing modalities.

17. National execution will be the principal form of execution as a means to building national capabilities with the necessary support from the specialized agencies and the Office for Project Services (OPS).

18. Monitoring, annual reviews of benchmarks and evaluation of the impact of the country programme will be conducted to ensure performance. A mid-term review will be carried out in 1994 to confirm continued relevance of the programme. Individual projects will be subject to standard monitoring procedures through close supervision, field visits, and in-depth evaluations that will allow better assessment of impact.

19. The fifth country programme will make inroads as regards to the maximum use of United Nations volunteers. They will be deployed to support

insufficient national capabilities in specific fields. As to the modality of technical cooperation among developing countries (TCDC), concerted efforts will be made to utilize it fully as a significant component in support of the national execution modality to further the transfer of knowledge between countries inside and outside the region.

IV. RECOMMENDATION OF THE ADMINISTRATOR

20. The observations made in the present note reflect the Administrator's view that the fifth country programme for Ecuador is relevant in its support to the principal development priorities of the country; follows the recommendations of the UNDP advisory note; is the result of a consensus between the Government and UNDP; and has full Government support to its implementation.

21. For these reasons, the Administrator recommends that the Governing Council approve the fifth country programme for Ecuador.